The following document was provided by Mike Rawson, Regional Targets Advisory Committee (RTAC) member, for consideration by the committee.

AFFORDABLE HOUSING AND OTHER SOCIAL EQUITY ISSUES— SPECIFIC PROPOSALS FOR THE RTAC

After the excellent feedback at the 8/5 meeting and the request of the chair to provide refined proposals, here I have attempted to refocus and clarify the suggestions made in my 8/5 comments. I appreciate very much the understanding and sensitivity expressed by many RTAC members regarding the critical need to integrate social equity factors into the GhG reduction process.

Emerging Consensus?

To recap what to me seems to be the emerging consensus:

- <u>Social Equity & GhG Emissions.</u> Social equity factors must be included in GhG target setting where capable of quantification and correlation to GhG emissions. An example would be housing affordability.
 - o <u>Initial Target Setting.</u> Current methodologies are probably inadequate to model social equity factors at the initial target setting stage
 - Subsequent Target Setting. Methodologies and models could be updated to model social equity factors by the time targets can be adjusted four and eight years hence.
- Adverse Social Equity Consequences. Adverse social consequences of changing land use patterns, such as displacement, must be addressed in SCS process, and should be included the target setting where future research demonstrates measurable correlation to GhG emissions.
- <u>Social Equity Practices (i.e. BMPs)</u>. To address potential adverse impacts on social equity and to accommodate the current inability to model social equity factors, GhG reduction credit should be given in the SCS approval and performance evaluation stages to regions utilizing a menu of social equity practices.

I agree that incorporating social equity factors such as housing affordability and potential displacement into the modeling isn't realistic for setting the *initial* targets. I got the sense, however, that we thought this to be unfortunate because certain social equity factors, especially those related to costs and pricing, almost certainly will be found to have measurable GhG effects when the research is done. Our recommendation to the ARB, therefore, should provide that research and model enhancement incorporating social equity factors must be undertaken and completed before the target is adjusted. To the extent target setting is model driven, the failure to include social equity in the modeling relegates social equity concerns to a secondary status where they too often reside in the development significant public policy.

At the same time, regardless of modeling capability, we must include in our recommendation a system to address social equity and to avoid and/or mitigate potential adverse effects in the inaugural SCS preparation and approval process as well as in subsequent cycles. The way to do that, it seems, is to develop a menu of social equity practices (like BMPs) against which the draft SCS/APS will be measured and that can be used to evaluate GhG reduction success down the road. Ultimately, the modeling should be able to correlate the use of these practices to quantifiable GhG reduction.

Specific Recommendations¹

- 1. <u>Initial GhG Target.</u> Include social equity factors, such as housing affordability, in target setting to the extent methodologies or modeling is available.
- 2. <u>Subsequent GhG Target Adjustments.</u> Update models and methodologies to incorporate social equity factors by the time targets can be adjusted in four years. (Government Code §65080(b)(2)(A)(iv))
- 3. Adverse Social Equity Consequences.
 - a. Assess potential adverse consequences on social equity, such displacement (including displacement of communities of color and lower income residents) and the reduction of housing affordability.
 - b. Incorporate adverse consequences into target setting models when updated modeling enables correlation to GhG reduction,
 - c. Establish Social Equity Practices to avoid and/or mitigate adverse consequences
- 4. <u>Social Equity Practices and the SCS/APS</u>. Adopt a menu of specific practices recommended for the SCS/APS and that receive GhG credits. The menu should include the following:
 - Housing Element Compliance (measured by HCD approval)
 - Planning & Zoning Programs that facilitate affordable housing
 - Funding Programs that increase in local funds, including redevelopment funds, dedicated to affordable housing development
 - Production Programs that increase in number of affordable units (particularly dedicated below market rate units)
 - Anti-Displacement Programs that preserve neighborhoods and/or increase neighborhood ethnic diversity
 - Programs Increasing Jobs/Housing "Fit" (affordability of housing to local workforce)²
 - Programs Increasing in Wage Levels in infill commercial developments

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¹ I think these are consistent with Pete Parkinson's excellent points and recommendations.

² See Lantsberg, A., The Environmental Impacts of Inadequate Job Quality and Affordable Housing Standards at Concord Naval Weapons Station Reuse (Northern California Carpenters Regional Council, 2009) submitted with these comments.